

29 Aug. 1961

Memo/Record

25X1

1.

[Redacted]

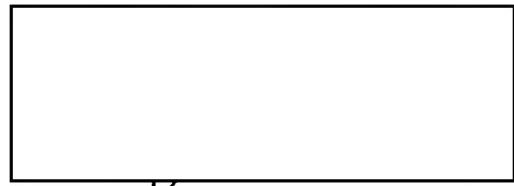
referring to sabotage was received  
electrically by all USIB agencies  
at 1530 on 27 October.

2. State was alerted by CIA Sigint  
Officer to warn Embassies abroad, and  
DDP advised to alert stations. The item  
was published in Current Intelligence  
Bulletin 28 October.

3. Material was maintained in

and USIB community.

4. The information appeared on  
AP news ticker (AP 97, Broad tape)  
with attribution to State Department,  
at about █ 2230 on 28 October.



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100%

A165WX

--U R G E N T--

TELEGRAPH EDITORS:

THE FOLLOWING FIRST LEAD CUBAN-CONSULTATIONS (A175WX) INCLUDES NEW MATTER AND ALSO DELETES REFERENCE IN PREVIOUS STORY TO SECRETARY OF STATE RUSK HAVING SAID THE UNITED STATES HAD DETECTED A CUBAN SIGNAL INSTRUCTING VENEZUELAN SABOTEURS TO TAKE ACTION.

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FIRST LEAD CUBAN-CONSULTATIONS  
BY SPENCER DAVIS

WASHINGTON, OCT. 28 (AP)-AUTHORITATIVE SOURCES SAID TONIGHT CUBAN PREMIER FIDEL CASTRO HAS SIGNALLED FOR A CAMPAIGN OF GENERAL TERRORIST AGITATION IN LATIN AMERICA.

THE SOURCES SAID CASTRO GAVE THE ORDER TODAY AND IT INCLUDED ACTION AGAINST THE VENEZUELAN OIL FIELDS.

WORD OF THE NEW CUBAN MOVE HAS BEEN PASSED TO U.S. EMBASSIES IN LATIN AMERICA TO CAUTION THE GOVERNMENTS OF THE AMERICAN REPUBLICS TO EXPECT TROUBLE, THE SOURCES SAID.

SECRETARY OF STATE DEAN RUSK MET WITH AMBASSADORS OF THE 19 NON-COMMUNIST AMERICAN REPUBLICS AT THE STATE DEPARTMENT FOR 45 MINUTES LATE TODAY.

IT WAS AT FIRST REPORTED THAT RUSK SPOKE SPECIFICALLY ABOUT HOW THIS HAD DEVELOPED TO THE ASSEMBLED AMBASSADORS.

SUBSEQUENTLY A STATE DEPARTMENT SPOKESMAN SAID RUSK DID NOT MENTION THE SPECIFIC INCIDENT INVOLVING THE TERRORIST CAMPAIGN IN VENEZUELA AND ELSEWHERE AT THE SESSION WITH THE AMBASSADOR.

IT IS KNOWN, HOWEVER, THAT HIGH U.S. OFFICIALS ARE ADVISING THAT WHILE AN ARRANGEMENT MIGHT BE IN THE MAKING WITH SOVIET PREMIER KHRUSHCHEV ON THE DISMANTLING OF OFFENSIVE MISSILE SITES IN CUBA, THEY ARE ADVISING THAT THE LONG RANGE PROBLEM OF DEALING WITH CASTRO IN THIS HEMISPHERE WILL STILL REMAIN.

THE PROBLEM OF COPING, ETC. THIRD GRAF PREVIOUS (A125WX)

BU 1016 PEP

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~~TOP SECRET~~

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Special Int. Report

29 October 1962

1. USSR/COMMUNIST CHINA

The Chinese Communists have been sharply criticizing the Soviet role in world affairs. On 22 October the Chinese Communist sent a note to the Cuban Ambassador in Peiping implying that the USSR was an untrustworthy ally; in particular they said that since 1959 Moscow had refused to give China technical information concerning the production of nuclear arms.

2. INDIA/COMMUNIST CHINA

We have noted in India the presence of the ChiCom Division which saw service in North Korea. The Indians have been impressed by the discipline and fire power with automatic weapons of this Division. ChiCom strength in the northeast frontier agency has been one Division (approximately 10,000 men against 21,000 Indians). The Indians have reinforced with another 15,000, making 36,000 in all.

3. USSR

The Soviets fired three 1100 mile missiles yesterday from Kapustin Yar 25X1 towards Sary Shagan. [ ]  
[ ]

Approved For Release 2002/09/11 : CIA-RDP80B01676R001800010029-3

~~TOP SECRET~~

**TOP SECRET**

4 BRAZIL

President Goulart is sending his personal emissary, General Albino Silva, Chief of the Military Cabinet, to Cuba to see Fidel Castro. Purpose, "to find a formula which will insure the integrity and sovereignty of Cuba. The plane carrying Silva is the same as will carry U Thant from New York to Havana.

5 MESSAGES NOT TO FIRE

- a. Minfar (unidentified activity) to headquarters central army corps, Santa Clara, "positively prohibited to fire"
  
- b. Naval headquarters to small vessel off shore. Same message

**TOP SECRET**

# Strives to Salvage His Prestige in Setback

## Venezuelan Communists Attack Power Stations at U.S. Oil Plant

Continued From Page 1, Col. 3

rockets of medium and intermediate range."

The President met with his Cabinet and top military leaders this morning to discuss the mobilization and other measures to cope with the Communist terrorism.

The Government has been cracking down on Communists and pro-Castro sympathizers since Oct. 8, when all Constitutional guarantees were suspended.

### U. S. Concerns Are Targets

During the last week at least three United States' concerns here were targets of small-scale terrorist bombings. The attack on the Creole Corporation, the leading oil producer in Venezuela, was the most menacing action yet staged.

There were unconfirmed reports of other terrorist bombings last night in Western Venezuela, the heartland of the country's oil producing and refining region.

The attacks on the power substations, situated 15 miles apart along Lake Maracaibo, one of the world's biggest oil reservoirs, was termed as "expert sabotage, carefully coordinated," by a company spokesman. One of the saboteurs was identified as a former Creole employee.

Two wounded men were found clinging to an oil derrick in the water. They said they could not find their companion in the boat. They struck from the water because the shore installations are heavily guarded.

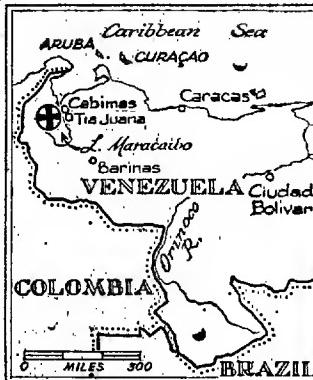
Shattered, in the blasts were three Tia Juana sub stations on the eastern shore of Lake Maracaibo and a fourth station near the big Punta Jorda plant, which supplies power to the entire region.

The explosions destroyed all four high voltage installations that receive power from Punta Jorda and three of the four low voltage stations that carry power to lake derricks and other installations.

### Quick Repairs Expected

Creole Petroleum's top executive in New York said last night that he believed repairs of the dynamited oil plants in Venezuela would take less than a month. D. E. Stines, vice president in charge of the New York office, said Creole's present "maximum inventory" would let it meet all commitments.

Mr. Stines said that initial reports indicated we only lost



The New York Times Oct. 29, 1962  
Four power houses were dynamited near Cabimas and Tia Juana (cross), in the north of Venezuela.

about a third of our capacity in Venezuela and no more than half of our Lake Maracaibo production." He said Creole's Venezuelan wells pump about 1,100,000 barrels daily. The company has about 12,000 employees there, he said.

Creole was rearranging its production and shipping schedules to satisfy all its customers with "minimum inconvenience," Mr. Stines said.

**Havana Signal Intercepted**  
WASHINGTON, Oct. 28 (AP)—Secretary of State Dean Rusk told Latin-American diplomats today that the United States had detected a Havana radio signal instructing Communists in Venezuela to take action against the Venezuelan oil fields.

State Department sources disclosing this tonight said the Havana message was sent in code before saboteurs blew up four oil company power stations at Lake Maracaibo, temporarily knocking out one-sixth of Venezuelan oil production.

The problem of coping with Cuban-based subversion will be the chief topic of an Organization of American States Council meeting tomorrow.

Sources said the new information about Cuban moves to step up subversion in other Latin-American countries was disclosed in the course of a general consultation on latest developments in the Cuban situation.

Ambassador Guillermo Seville-Sacasa of Nicaragua said the information given to the

## BRAZILIANS HAIL EASING OF CRISIS

Hope Latin America Can Be Made Nuclear-Free Zone

Special to The New York Times

RIO DE JANEIRO, Oct. 29—Brazilian Government leaders said today that Premier Khrushchev's announcement that the Soviet Union would withdraw its weapons from Cuba was an "extraordinary diplomatic victory" for President Kennedy.

"The storm clouds of war have been dispelled by the Soviet announcement," a diplomat said.

Brazilian officials were hopeful that an agreement would now be reached in the United Nations to establish Latin America as a zone free of nuclear weapons.

The possibilities for negotiation of the Cuban problem also appeared improved to Brazilian officials.

Diplomatic dispatches from Havana, where the Brazilian Ambassador, Luis Bastia Pinio, has been in contact with high Cuban officials, indicate that Premier Fidel Castro is willing to enter negotiations on Cuba's relations with the American republics.

Brazilian officials said the contacts were still in the early stages, but they expected the possible areas of negotiation would be clarified in the United Nations.

**Colombia Waits on Offer of Aid**  
Special to The New York Times

BOGOTA, Colombia, Oct. 29—Jose Antonio Montalvo, Colombia's Foreign Minister, said today that while his country's traditional policy was nonintervention in other countries' affairs, the Soviet Arming of Cuba was itself an intervention that had to be resisted.

Mr. Montalvo made his statement on the radio after a week of deliberations that included several consultations with the United States Ambassador, Fulton Freeman. The Foreign Minister said that under the 1947 Treaty of Rio de Janeiro's Western Hemisphere security, Colombia was bound to offer all possible support "of collective defense action by the Americas in defense of the continent and of world peace."

Years for Economic Aids

Fear has been expressed in some circles here that the Cuban crisis will hurt the Alliance for Progress program, which is already regarded as in batter shape. One important official said he feared a shift in U.S.

A165WX

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